

Message Text

LIMITED OFFICIAL USE

PAGE 01 SINGAP 04086 180745Z

16

ACTION EB-07

INFO OCT-01 EA-07 ISO-00 AGR-05 CEA-01 CIAE-00 COME-00

DODE-00 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04 NSAE-00

NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04 TAR-01

TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 FEA-01 DOTE-00

/088 W

----- 016786

R 180708Z SEP 75

FM AMEMBASSY SINGAPORE

TO SECSTATE WASHDC 3548

INFO AMEMBASSY KUALA LUMPUR

LIMITED OFFICIAL USE SINGAPORE 4086

E.O. 11652: N/A

TAGS: ETRD

SUBJ: MOTOR VEHICLE DOMESTIC CONTENT REQUIREMENTS

REF: A. STATE 218027; B. SINGAPORE A-116 OF 7/25/75

1. INVESTMENT: SINGAPORE'S MOTOR VEHICLE ASSEMBLY INDUSTRY IS SMALL, PRODUCING AROUND FOUR THOUSAND VEHICLES A YEAR, AND HAS BEEN BADLY HURT BY NEGATIVE GOVERNMENT SANCTIONS ON CAR OWNERSHIP. ONE OF SINGAPORE'S FIVE ASSEMBLERS RECENTLY CLOSED (SEE REFAIR).

2. SINGAPORE ANNOUNCED A DOMESTIC CONTENT REQUIREMENT POLICY FOR PASSENGER CARS IN 1967, WHICH CALLED FOR PERIODIC INCREASES IN LOCAL CONTENT. THE SCHEME CALLED FOR 8 PERCENT LOCAL CONTENT BY 1969, 13 PERCENT BY 1971, 18 PERCENT BY 1973, AND 22 PERCENT BY 1975. HOWEVER, DUE TO THE POOR LOCAL CAR MARKET AND INABILITY TO PENETRATE A BROADER REGIONAL MARKET, THE INDUSTRY HAS BEEN UNABLE TO GROW SUFFICIENTLY TO MAKE IMPLEMENTATION OF LOCAL CONTENT REQUIREMENTS FEASIBLE, AND THEREFORE, EK FACTO,

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SINGAP 04086 180745Z

THEY ARE NOT ENFORCED.

3. IMPORTS: DUTY ON NEW CAR IMPORTS IS AS FOLLOWS: COMPLETELY BUILT, 45 PERCENT; SEMI-KNOCKED DOWN, 30 PERCENT; AND COMPLETELY KNOCKED DOWN (CKD), DUTY FREE. THERE IS A SIMILAR EXEMPTION FROM DUTY FOR IMPORTS OF CKD BUSES AND TRUCKS. THIS TARIFF STRUCTURE HAS GIVEN AN EDGE TO LOCAL CAR ASSEMBLERS OVER IMPORTERS, PARTICULARLY IN THE CASE OF LARGE PASSENGER CARS AND BUSES. HOLDRIDGE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PROCUREMENT, FOREIGN INVESTMENTS, AUTOMOBILES
Control Number: n/a
Copy: SINGLE
Draft Date: 18 SEP 1975
Decapton Date: 01 JAN 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MartinML
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975SINGAP04086
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750323-0581
From: SINGAPORE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750939/aaaabila.tel
Line Count: 69
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 218027, 75 SINGAPORE A-116
Review Action: RELEASED, APPROVED
Review Authority: MartinML
Review Comment: n/a
Review Content Flags:
Review Date: 22 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22 JUL 2003 by BoyleJA>; APPROVED <19 NOV 2003 by MartinML>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MOTOR VEHICLE DOMESTIC CONTENT REQUIREMENTS
TAGS: ETRD, SN
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006